



## BOARD OF DIRECTORS REPORT

**MEETING DATE:** JANUARY 16, 2024

**AGENDA ITEM #: 7**

**TYPE:** ACTION ITEM

**PREPARED BY:** SENIOR PURCHASING AGENT, VALERIE WHITE

**REVIEWED BY:** GENERAL MANAGER, JERRY ESTRADA

**SUBJECT:** TERMINAL 2 RECOMMISSIONING – PHASE 1 CONSTRUCTION

### RECOMMENDATION:

Staff recommends the Board authorize General Manager to award and execute a contract with Menemsha Development Group Inc. for the Terminal 2 Recommissioning – Phase 1 Project for firm fixed price of \$3,999,265—the lowest responsive and responsible bidder whose bid meets the requirements and criteria set forth in the invitation for bids, subject to:

- bidder's submittal of insurance certificates;
- evidence of a City of Goleta business license; and
- receipt of performance and payment bonds at 100% the contract price.

### DISCUSSION:

Background: The Terminal 2 (T2) property at 5353 Overpass Rd. in Goleta, CA, once served as MTD's primary administrative, dispatch, operations, and maintenance facility. However, when Terminal 1 was completed in 2003 in downtown Santa Barbara, MTD completely withdrew from the facility, including the removal of an underground fuel storage tank, and leased the property. Now, 20 years later, reactivation of this facility is a major priority for MTD. A completely recommissioned T2 will accommodate future zero-emission fleet growth, reduce capacity restraints currently experienced at MTD's Terminal 1 facility, improve operational efficiencies by lowering deadheading, and provide systemwide resiliency. To support the efforts in a fiscally responsible manner, MTD is breaking the renovation into phases. The scope of T2 Recommissioning – Phase 1 seeks one prime general contractor to perform and oversee the first phase improvements:

Offsite work—Adding a new public sidewalk along Overpass Road, a new driveway onto Overpass Road, and adjacent landscaping.

Sitework—Demolition of existing site wall and landscaping around facility perimeter; New perimeter security fencing and vehicle gates along with the addition of a new pedestrian gate; Replacement of existing site lighting; Addition of new van accessible parking space to meet Americans with Disabilities Act (ADA) Requirements; Upgrades to the existing parking canopies

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limited replacement of light fixtures and addition of new security cameras and public address system; Installation of new above ground 12,000 Gallon Diesel Fuel Tank, including concrete equipment pad, MTD-provided bollards, and electrical connection; Installation of a new steel framed canopy adjacent to the fuel tank for a new fare collection vault; Maintenance repairs to the existing office/maintenance building including: Repair of Gypsum Board and replacement countertop in the break room, Replacement of existing plumbing fixtures in office area restrooms, Replacement of light fixtures in maintenance bays, Repainting of interior and building exterior, Replacing the rooftop HVAC mechanical unit.

Solicitation: On October 26, 2023, MTD issued the *Invitation for Bids for Terminal 2 Recommissioning – Phase 1* (IFB), a sealed bid process seeking a firm, fixed price contract performed in accordance with MTD's procurement policies and procedures, State of California Provisions for Public Works Projects by local agencies (specifically including Public Contract Code 20280 - 20284), and the Federal Transit Administration (FTA Circular 4220.1E). The IFB was formally advertised in the *Ventura County Star*, MTD's website, and the public project plan room hosted by Tri-Co Reprographics. In addition, a potential bidder's list of 112 general contractors was e-mailed the opportunity directly. The IFB included complete, adequate and realistic technical specifications and the associated construction drawings.

On November 8, 2023, MTD Staff hosted a mandatory pre-bid meeting and job walk. Twelve potential prime contractors participated. Questions and requests for clarification from the contractors resulted in four addenda to be issued.

On December 7, 2023, at 10:00 AM, sealed bids were opened and read aloud in a public meeting. Bids included:

- 1) Total Project Bid Price for the sum of all project work; and
- 2) Deductive Alternate 1 Bid Price where at MTD's option, the vehicle wash equipment, and any associated plumbing/electrical connections to the equipment, may be removed from the project.

Based on funding and bid prices, MTD may elect to accept Deductive Alternate 1 at its option. The solicitation documents clearly indicated, "If the Deductive Alternate 1 Bid is not selected prior to contract execution, it may be incorporated into the contract by an MTD-initiated Change Order."

Still, the Solicitation Instructions and Bid Form clearly state the contract award shall be to the responsible bidder submitting the lowest responsive bid proposal on the basis of the "Total Project Bid Price" for the complete project.

The IFB bid tabulation identified Menemsha Development Group as the low bid.

### Bid Tabulation:

Bidder	Total Project Bid	Deductive Alternate 1
Menemsha Development Group Inc	\$3,999,265.00	\$187,220.00
Quincon, Inc.	\$4,254,988.00	\$637,881.00
Metro Builders & Engineers Group, Ltd	\$6,126,707.00	\$601,179.00

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Following the public opening of bids, Staff conducted an evaluation and found the low bid to be responsive and responsible, with the following subcontractors identified to perform the specialty trade work in excess of ½ of 1% of the bid total:

Big Wakoo Fence  
Commercial Flooring  
Diamond Crete Concrete  
GT Commercial Concrete, Inc.  
HVAC Tech Pro  
Jas Landscape LLC  
New Generation Painting  
NS Corporation

Precon Demolition, Inc.  
Santa Maria Electric, Inc.  
Shoreline Constructors  
Smith MEP  
Tank Specialist  
Venterra Environmental, Inc.  
Wicks Roofing

Financial; Impact and Cost Analysis: In the development of an Independent Cost Estimate (ICE), MTD's contracted Architect provided a cost estimate based on 90% construction documents indicating \$5,074,332.00. Thus, as the low, responsive, responsible bid below the ICE, the Menemsha Development Group bid is determined to be fair and reasonable.

Furthermore, since the bid is \$1,075,067.00 under the professional cost estimate and obtained by a competitive process, it is further recommended by Staff that MTD contract now for the total project. This ensures that when the Phase 1 project is complete, a functional bus wash is available at T2, along with farebox collection and fueling.

The project shall be paid for by various sources, including federal grants, Measure A, California Transportation Commission (CTC) Funding, and the anticipated Transit and Intercity Rail Capital Program (TIRCP) allocation.

While the TIRCP funds have been reauthorized, the allocation of the \$1.2 million for this project is on the January 25 - 26, 2024, California Transportation Commission meeting agenda for approval. MTD has identified a contingency of Measure A and STA funds in the event this approval is delayed.

The Menemsha Development Group Bid is valid for 60 calendar days from the bid due date (terms February 5, 2024). With potentially no MTD Board of Directors meeting during that time span, Staff seeks Board approval in advance and contingent upon the receipt of the other required documents to do business with MTD (insurance certificates, business license, and bonding).